

Environmental and Social Data Sheet

Overview

Project Name:	VIENTIANE SUSTAINABLE URBAN TRANSPORT
Project Number:	2013-0587
Country:	Laos Peoples' Democratic Republic
Project Description:	The project is to construct a BRT (Bus Rapid Transit) system in Vientiane in Laos and includes the introduction of dedicated bus lanes, the acquisition of the buses and also facilities for parking management, traffic management and pedestrians.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

If the project was situated in the EU, it would have fallen under Annex II of the EIA Directive, in which case the Competent Authority would determine whether the project should be made subject to an EIA procedure. In this case, the Lao Ministry of National Resources and Environment (MONRE) stipulated that no full EIA is required. Instead an Initial Environmental Examination (IEE) was required. The IEE report was completed in 2014 and included an Environmental Management Plan. The Bank's finance will be subject to approval of the IEE by MONRE, and incorporation of the EMP in all the civil works contract documents.

Involuntary resettlement is expected to be minimal. No private land purchase is foreseen at this stage, as all affected land and structures identified are owned by government organizations. A resettlement plan has been prepared describing affected public properties, the relevant policy framework and compensation mechanism and this will be updated after detailed design is completed. Bank finance will be subject to approval and implementation of the resettlement plan, and compliance with relevant EIB Social Standards.

The project will improve urban transport operations in Vientiane, and is expected to reduce the emission of pollutants by the transport sector, as well as improve road safety. Considering the above, the project is acceptable to the Bank.

Environmental and Social Assessment

Environmental Assessment

The project is to construct a BRT (Bus Rapid Transit) system in Vientiane, capital of Lao Peoples' Democratic Republic (PDR). The BRT system will consist of 11.5 kilometres of dedicated bus-ways, 21 enclosed stations, 96 new buses and improved pedestrian facilities near station areas. To ensure traffic circulation after construction of the BRT system, the project also includes several traffic management measures, such as new traffic signals at key intersections and parking management and enforcement for on-street paid parking in the city centre area.

The project falls within Government development priorities. A Master Plan on Comprehensive Urban Transport in Vientiane was developed by the Ministry of Public Works and Transport

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

(MPWT). The Master Plan comprises three plans - a road network development plan, public transport development plan and a transport management plan.

The Regulation on Environmental Assessment (No.: 1770/WREA) issued in 2000 by the Lao Ministry of Natural Resources and Environment (MONRE) and updated in 2011 by Decree No.122/PM specifies the environmental assessment requirements for each project according to certain thresholds and criteria. This project falls under Section 4.3 of the above mentioned regulation, which concerns road improvement projects, and the regulation stipulates that in that case no full EIA is required but only an Initial Environmental Examination (IEE). Preparation of the IEE report was finalized in August 2014 and includes an Environmental Management Plan which will be incorporated in all the civil works contract documents. The process followed and the substance of the IEE is acceptable to the EIB, taking into account that the project is fully built inside an existing road corridor and environmental and social impacts are limited and mostly temporary.

The project components such as BRT stations, bus depot, bus staging areas/temporary bus parking areas and improvement works for non-motorized transport will not involve major civil works. Various adverse impacts, such as elevated noise levels, dust emission, traffic disturbance, and other construction-related impacts may be experienced in the vicinity of the project sites. These impacts, however, are considered minor being short-term and localized in nature. The proposed on-street parking and traffic management system will involve minor works such that associated environmental impacts are considered negligible.

Furthermore, the potential adverse impacts that may result due to operation of the bus depot and bus staging areas are considered minor and can be addressed through good design of the facilities and implementation of mitigation measures specified in the environmental management plan (EMP) included in the IEE. Such impacts pertain to noise, vehicle emissions, waste water from washing, waste oil from maintenance works, leaks/spills of hazardous substances, traffic congestion due to entry/exit of buses and safety concerns.

The EMP includes environmental mitigation measures for the pre-construction, construction and operation phases for various project components as well as monitoring requirements and responsibilities for EMP implementation. The EMP will be incorporated in all the civil works contract documents.

The IEE concludes that there are no ecologically sensitive areas in the vicinity of the various project components. During operation, the overall environmental impact of the project would be beneficial. The proposed improvements to the transport system will contribute to reducing traffic congestion, improving conditions for walking and cycling, improving community liveability and air quality.

The project Promoter has some experience with international environmental and social standards, as it has previously implemented projects that were financed by other IFIs, in particular the Asian Development Bank. It has been agreed that for this project, the project implementation unit will procure local staff with sufficient environmental and social expertise, as well as an external consultancy services to assist them with management of the project and their environmental and social responsibilities.

The buses will comply with at least the Euro IV emission standard and will have priority seating and waiting spaces for pregnant women, the elderly, PRM and adults with small children.

Social Assessment

The project requires no acquisition of private properties, as all affected land and structures identified are owned by government organizations. No previous land acquisition occurred in anticipation of the project. The new BRT stations and bus lanes will be constructed in the middle of existing road corridors, taking away sidewalks, parking and in some cases also one of the driving lanes. In two places, it is necessary to use a small section of public park land (less than 50 m²). The proposed area for the new bus depot is 17 000 ha, vacant and owned by the Ministry of Public Works and Transport. At the time of appraisal, the location of the areas needed to park and fuel buses during operations were not yet confirmed, but it is expected that these will take place on land that is already government-owned and for which no physical or economic displacement of private persons is required. The project might affect

the income of some persons currently providing transport services on the proposed BRT routes, such as taxi drivers. The project will explore ways to assist affected persons, for instance by providing bus driver training.

A resettlement plan describing affected public properties, the relevant policy framework and compensation mechanism has been prepared in 2014 and will be updated after detailed design is complete. The legal and policy framework for compensation and assistance under the project is defined by the relevant laws and regulations of the Government of Lao PDR (Land Law 1997, Land Law 2003, Road Law 1999, and Decree 192/PM on Compensation and Resettlement) as well as ADB's Safeguard policies. The resettlement plan and the principles for compensation and resettlement included, apply for all affected people and organizations identified so far. After detailed engineering design, other individuals, households and/or organizations may be identified as being affected. In that case, the resettlement plan and the principles for compensation and resettlement included will also apply to these newly identified affected parties. The resettlement plan has been approved by the Mayor of Vientiane and ADB, is published on ADB's website and complies in substance with relevant EIB Social Standards.

Public Consultation and Stakeholder Engagement

A series of public consultations, led by MPWT, were conducted for a period of approximately 6 months for the different project components and environmental issues/concerns raised by the stakeholders are addressed in the EMP. The resettlement plan has been based on consultation with all affected government agencies, further consultations will be performed with affected parties and the general public after detailed design is finished and the resettlement plan updated. A grievance redress mechanism has been developed to facilitate resolution of project related environmental impacts as well as issues around resettlement.

Other Environmental and Social Aspects

Regular monitoring will be carried out by the implementing agency - Department of Transport (DOT), with assistance from the external project management consultant. Annual environmental monitoring reports will be submitted to the lenders.